



# Removing Barriers to TRICARE

- 1.4 million senior retirees **ELIGIBLE** by law for military pharmacy benefit - only 600,000 have **ACCESS**
- **TRICARE Senior Pharmacy reinstates ACCESS**
- Same benefit as TRICARE:
  - Preserves access to military pharmacies
  - Mail order pharmacy with \$8 co-pay
  - Network retail with 20% copay
  - Out of network retail with 25% copay and \$150 deductible



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- **Improves Benefits**
  - Restores access to prescription drugs for all Medicare eligible retirees
  - Extends Medicare demonstrations through 2003
  - Paves way for permanent Medicare-eligible retirees benefit in 2004
  - Reduces retiree catastrophic cap from \$7500 to \$3000
  - Reduces active duty co-pays and expands coverage
  - Reimburses travel expenses for long distance referrals
- **Modernizes Business Practices**
  - Saves up to \$500 million over FYDP in claims processing
  - Invests today for future efficiencies
  - Improves local appointment and scheduling systems
  - Develops modern Internet based customer services
  - Eliminates unnecessary referral requirements
  - Increases authority to tailor TRICARE reimbursements to locale



# Sustaining the All Volunteer Force

- 3.7 per cent pay raise
- Accelerates reduction in out-of-pocket housing costs
- Targets supplemental food allowance to most needy
- Increases minimum housing standard for young families
- Authorizes use of military Thrift Savings Plan
- Reduces out-of-pocket moving costs for young families
- Adds 650 active Navy personnel, mostly recruiters
- Adds 2,900 full-time personnel to Guard and reserves
- Boosts recruiting and retention funding by \$217 million